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Hypocrisy Alert: Democrats Criticize Overspending and then Outspend Everyone

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A Collection of Quotes from the Majority (then Minority) Reflecting Their Wavering Ideals



Introduction:

According to CBO, the federal deficit is \$655 billion through the first five months of FY 2010. This is \$65 billion or 11.0% above the deficit through the first five months of FY 2009—which ended up with the highest deficit in U.S. history (\$1.4 trillion). Last year is the only time in U.S. history that the final deficit for *the year* exceeded the deficit through just the first *five months* of FY 2010. The increased deficit spending is due to a spending rate equivalent to last year (\$1.45 trillion of spending already) and lower revenues (down 7.5%) due to the weak economy. If deficit spending were to continue through the next seven months at the same rate as the previous five months, the final FY 2010 deficit would end up at \$1.57 trillion.

Earlier this month, the CBO released projections of the impact of the President's budget on the nation's fiscal condition. It's important to keep in mind that this report was released before the newly enacted health care takeover. The following are highlights of the report:

\$11.2 Trillion Deficits: The President's budget would make the deficit \$3.8 trillion worse over the FY 2010 to 2020 period than CBO's current-law baseline. CBO's baseline projects deficits of \$7.4 trillion over the FY 2010-FY 2020 period; the President's budget leads to \$11.2 trillion of deficits over the same time period. This is notable because the Administration claims that the President's budget submission reduces the deficit.

Unsustainable Deficits (by Administration's own admission): The deficit would average 5.2% of GDP over the next ten years under the President's plan. The lowest it ever gets is 4.1% of GDP. By the Administration's admission, deficits in excess of 3% of GDP are unsustainable. In other words, the President's budget does not come close to sustainable deficit spending levels in any year from 2010 to 2020.

13 Highest Deficits in U.S. History: The budget, if enacted, would mean that all 13 of the highest deficits would be from 2008 (first budget under Democrat-controlled Congress) to 2020 (last year of President's 10-year budget).

\$10.5 Trillion Worsening of Nation's Budget Outlook: CBO, in January 2007 (same month as Democrats took control of Congress), projected an \$800 billion surplus over the 2008 to 2017 period. If we compare that projection to what has already happened under a Democrat Congress in FY 08 and 09—and to what the President's budget proposes for FY 10 through FY 17—that \$800 billion surplus turns into a \$9.7 trillion deficit. This is a \$10.5 trillion worsening of the budget outlook in the little more than 3 years of Democrat control of the Congress.

The following is a selection of quotes from Congressional Democrat leaders about the Bush Administration's, and congressional Republicans', spending practices and the deficits and debt that followed. Oddly enough, their comments could easily be applied to the Obama Administration and the Congress their party now controls. What's even stranger is that the Obama Administration has not only failed to improve America's current fiscal condition, but has undeniably made it worse. As Democrats defend the unprecedented deterioration of federal finances that has occurred on their watch, it is appropriate that they be reminded of their criticisms of deficit spending under a Republican Congress that was of a much smaller magnitude.



From Speaker Pelosi (then Minority Leader):

May 17, 2006: "When Republicans spend the Federal budget into the red, the U.S. Treasury borrows money from foreign countries. Since President Bush took office, the amount of foreign-owned debt has increased by over \$1 trillion. In fact, it is more than all of the foreign-owned debt of the 42 previous Presidents combined, a horrible record.

Our national debt is a national security issue. Countries that own our debt will not only be making our toys, our clothes and our computers, pretty soon they will be making our foreign policy. They have far too much leverage over us.

While the Republican budget is never balanced and has deficits as far as the eye can see, the Democratic budget, the Spratt substitute, reaches balance by 2012 and follows the strict pay-as-you-go rules, no deficit spending."

December 18, 2005: "Mr. Spratt called me earlier this evening and told me, well, actually it was earlier this morning, and he told me he had just received the budget bill, 700 pages. Now, we all know one thing for sure. No one in this Congress has read that bill. So later, in just a short while, we will be voting on a bill that no one has read."

<u>December 8, 2005</u>: "Let us talk about what is happening here today. A few weeks ago, right before Thanksgiving, there was a bill on the floor which was the Republican budget bill.

So embarrassed were they by their own budget and so embarrassed were they by this tax bill that they had to have 3 weeks come between the two of them so that the American people would separate the cause and effect of what they were doing with their budget bill that was poor in its values, poor in its priorities and increasing our deficit because of this tax bill today.

It is just totally irresponsible and at the same time increases the deficit. Democrats support pay-as-you-go. No deficit spending. If something is important to you, figure out how to pay for it, but do

not make my children and grandchildren have to pay for it or anybody's children and grandchildren have to pay for it.

And this is the party of fiscal responsibility? Republicans have completely abdicated that. The Democrats are the party of fiscal responsibility. We showed we can do it then. We can do it again. We should not today be catering to this appetite for deficits that the Republicans cannot seem to get over. It is just absolutely immoral, immoral for us to heap those deficits on our children."

March 17, 2005: "Mr. Chairman, in 1994, the first item in the Republicans' Contract with America was the Fiscal Responsibility Act. Republicans pledged "to restore fiscal responsibility to an out-of-control Congress, requiring them to live under the same budget constraints as families and businesses." More than 10 years later, an out-of-touch Republican majority has taken fiscal responsibility to a new low. It is clear that in the 10 years the Republicans have become addicted to deficits.

The budget deficit for this year is a record \$427 billion. The February budget deficit, my colleagues, of \$114 billion for the month of February, a deficit of \$114 billion, is the highest monthly deficit ever and the first time it ever went over \$100 billion in one month. In 2001, President Clinton left President Bush with a projected \$5.6 trillion in surplus. In just 4 years, President Bush has turned that record surplus into a record deficit of nearly \$4 trillion, a \$10 trillion swing in the wrong direction.

November 18, 2004: "In the course of the President's administration now, this 4 years, it will have been raised \$2 trillion. This is absolutely astounding in terms of these figures. Whatever happened to the deficit hawks? I know they are over there. We heard from them in earlier manifestations of their legislative lives that they really were concerned about the fiscal soundness of our country. Have the deficit hawks become an endangered species?

November 18, 2004: "The Republican policy of borrow-and-spend must end. We are running up a bill and handing it to our children.

We should be giving our children opportunity, not obligations, but America's growing debt will ensure that our children and our grandchildren are paying for Republican irresponsibility for the rest of their lives.

Their taxes will pay for the interest on our debt instead of keeping our military the strongest in the world, strengthening Social Security, or improving education."

October 7, 2004: "Democrats led by the gentleman from New York (Mr. Rangel) pursued a bipartisan bill that was tailored to create good-paying jobs in the U.S. without sacrificing our long-term fiscal health.

June 24, 2004: "And let us be equally clear, we would not spend one penny more than the Republicans would. We just spend it differently. They have passed an ill-conceived Medicare bill that will cost taxpayers \$534 billion and which gives \$149 billion in windfall profits to big drug companies. They have chosen to ignore a bipartisan approach to pay as you go."

June 24, 2004: "When President Bush took office, as was indicated by the charts the gentleman from South Carolina (Mr. Spratt) showed, we were on a path to a \$5.6 trillion surplus. A \$5.6 trillion surplus. Today, the budget deficit is projected to be over \$3 trillion over the next 10 years, a \$9 trillion fiscal collapse. We now have a deficit again for this year that is more than \$.5 trillion for 1 year alone. That is an astounding burden on our children."

May 18, 2004: "Mr. Speaker, I rise today to ask the question that President-to-be Ronald Reagan made famous in the debate in 1980: ``Are you better off today than you were 4 years ago?"

The answer, of course, for most Americans is ``no." Under President Bush and the Republican Congress, most Americans have suffered. If you are a taxpayer, you are not better off. We went from a budget that was in balance in 1999, the deficit was zero, and on a path to a \$5.6 trillion surplus to one now that is half a trillion dollars in debt this year alone.

If you are a worker, you are not better off because 2.2 million jobs have been lost and the unemployment rate is 5.6 percent, one-third higher than the 4.2 percent when President Bush took office. And workers are not better off because wages have failed to keep pace with inflation. Wages rose a mere nickel between March and April.

If you are a consumer, you are not better off because gas prices have increased from \$1.26 to a record \$2.01 a gallon since President Bush took office.

In the next few days, we will be offering further lists of grievances of the reckless policies of the Bush administration and the Republican Congress. Clearly, we are not better off since President Bush took office."

March 25, 2004: "The Republican economic record of the past 3 years is as shameful as it is clear. In 3 years, Republican economic policies have lost nearly 3 million jobs and added more than \$3 trillion to the national debt. The gentleman from South Carolina has very eloquently and in a very detailed way talked about what has happened from surplus in the Clinton years to deficit in the Bush years. Unbelievably, this budget continues that misguided course. It does not grow the economy."



June 02, 2003: "What we see here today is the unraveling of fiscal responsibility. It began in the White House with the President's reckless, irresponsible proposal, and it continues with the Republicans in the Congress. By promoting his unnecessary, unfair, and fiscally unsound tax cut, President Bush has created a tax cutting frenzy among Congressional Republicans.

The result is this conference report--and a bill to put our children \$1 trillion in debt. That is not leadership. I have asked many times, where have all the Republican deficit hawks gone? They are an endangered species. Democrats still believe in fiscal responsibility, and we believe that raiding Social Security and saddling our children and grandchildren with enormous debt is wrong. If the

Republicans had wanted to have a proposal that would grow the economy, focus on the middle class, create jobs and be fiscally sound, they could have done so. They chose not to."

<u>April 18, 2003</u>: "We need a budget resolution which is a blueprint for investing in our children and for job creation. Instead, we have a road map to economic disaster. Instead of investing in our children, we are making them indebted.

It is no wonder that the Republicans want to bring this budget to the floor in the dark of night. It is 2 o'clock in the morning, just 11 o'clock in California, so hopefully people there will hear about this budget, that the Republicans do not want the American people to know.

April 18, 2003: "Not only is the Republican budget not fair, it is fiscally irresponsible. I ask you, my colleagues, where have all the budget deficit hawks gone? I ask the gentleman from Florida (Mr. Young), are they an endangered species? It seems they are.

It bears repetition. How old will your children be in 10 years? Do you want to weigh their futures down with huge debt?

The Congressional Budget Office just last week said the overall macroeconomic effect of the proposals in the President's budget is not obvious.

Mr. Speaker, I urge my colleagues to reject the Republican's reckless, irresponsible budget, which explodes the deficit, does not create jobs, and dishonors our commitment to our children. Do the right thing. Vote no, no, no on the arsenic poisoning of our economy, the Republican budget."

April 1, 2003: "President Bush's budget is not balanced. He pays for his tax cut by adding more than \$2 trillion to the deficit. It is reckless and irresponsible."

"The debate today is about leadership. Sadly, that leadership is lacking from President Bush and from the Republicans in Congress. In 2 years, President Bush and the Republicans in Congress have presided over the most dramatic deterioration in our Nation's economic health in our Nation's history." The difference is clear. In our Partnership for America's Future, Democrats have made a commitment to fiscal responsibility and the gentleman from California's (Mr. George Miller) payas-you-go. Republicans chose in this bill to spend as they please and then hide the true costs of their bill with expensive gimmicks."





From Majority Leader Steny Hoyer (then Minority Whip):

May 17, 2006: "You have voted for budgets which have provided the largest deficits in our history. In the last 64 months, your budgets and your policies have resulted in an additional \$3 trillion of deficit spending. Three trillion. You are in charge of the House, you are in charge of the Senate, and you have the Presidency."

March 17, 2005: "Mr. Chairman, this Republican budget conclusively demonstrates one thing: that when it comes to audacity, our friends on the other side of the aisle have an unlimited supply.

Yesterday Republican leaders, including the gentleman from Texas (Mr. DeLay), majority leader; and the gentleman from California (Mr. Dreier), chairman of the Committee on Rules, claimed on this floor that the policies adopted by the Republican Party last year reduced last year's budget deficit by \$109 billion. What an extraordinary Lewis Carroll ``Alice in Wonderland" representation.

You incurred over \$350 billion of deficit, as you well know. The only thing you reduced was the inflated figure the White House came with at the beginning of the year. A figure that, by the way, was supposed to be zero, as I recall, the 2001 budget.

On the Republican Party's watch, the Federal Government recorded the worst budget deficit in American history, \$412 billion in fiscal year 2004. Four hundred and twelve billion dollars of deficit spending, and that is counting using every nickel of Social Security, which you said you were not going to do, which the President said you were not going to do. And you had a ``lockbox." It is a sieve box.

Our Republican friends, it appears, are the only people who believe that a \$412 billion deficit is something to brag about. For years they have preened as fiscal conservatives, but in less than 48 months they have turned the projected 10-year budget surplus, a \$5.6 trillion surplus that they were handed, that President Bush from this rostrum said we had as a result of the 8 years of the Clinton administration, \$5.6 trillion, into a deficit today in 48 months.

We ought to be ashamed of that. We ought to be ashamed to tell our children that that is what we have done to them. We ought to be ashamed to tell our grandchildren, of which I have three, that that is what we have done to them and their generation. That is the height of fiscal irresponsibility, and I suggest it is also a fiscally immoral act and is the abuse of our children and grandchildren and generations yet to come, who in their time will face a challenge perhaps like Iraq, perhaps like AIDS, perhaps a tsunami or other natural disaster, and they will look around for resources to respond to their crisis in their time and say, oh, my goodness, the resources were spent by this Congress and by the previous Congress. What a shame."

<u>July 21, 2004</u>: "It is, I think, appropriate that we transit from a discussion about the deficit that confronts us, the obligations confront us, and talk about the way we pay for what government is asked to provide."

May 11, 2004: Now, Mr. Speaker, while the other body exercises vigorous oversight, this body will consider a Republican bill that will actually increase the budget deficit, which is projected at more than half a trillion dollars this year alone, and three health care bills that would do virtually nothing to help the uninsured"

May 5, 2004: "The simple fact is, Mr. Speaker, the Office of Management and Budget projects that our Nation will run a record budget deficit of \$521 billion this year. That figure does not include the costs of fighting wars in Iraq and Afghanistan, an estimated \$50 billion to \$75 billion. The 10-year budget surplus of \$5.6 trillion that George W. Bush inherited when he took office has been turned into a projected deficit of more than \$4 trillion in just 3 short years."

April 28, 2004: "This year alone the Federal Government is expected to run a record deficit of half a trillion dollars. That figure does not even include the \$50- to \$75 billion that virtually everyone agrees will be needed for our war efforts."

March 24, 2004: "With a projected record budget deficit of more than \$500 billion this year alone, this budget resolution would dig an even deeper deficit hole. It would increase the deficit by nearly \$250 billion over the next 5 years, and over the next 10 years increase the deficit already projected by the Congressional Budget Office to be \$2 trillion, an additional \$1.6 trillion of deficit, that young people will have to pay off. Democrats believe that it is irresponsible, indeed immoral, to adopt such a policy and to plunge our Nation even deeper into debt and to force future generations to pay our bills. Republicans apparently are not bothered by that."

March 16, 2004: "The truth is the Republican budget resolution would make our deficits \$247 billion worse over the next 5 years under current law. And over 10 years it would increase the deficit, already projected by the Congressional Budget Office at \$2 trillion, by another \$1.6 trillion."

February 3, 2004: "The President's failed economic policies, adopted by this House and Senate, are the equivalent of fiscal child abuse because they would force our children to pay our bills for decades to come and force our grandchildren to pay our bills for decades to come. His budget projects a record deficit this year. Fiscal conservatives hear me: \$521 billion in deficits this year, \$.5 trillion, this on the heels of last year's deficits of \$375 billion. And next year the administration projects a deficit of \$364 billion."

July 15, 2003: "In fact, on June 12 when this House GOP passed a fiscally irresponsible \$82 billion bill that will cost \$800 billion in the years after 2013 that included the child tax credit, rather than accept the Senate version costing \$3.5 billion, now they really do not care about deficits, they have blown a hole in the surplus they inherited, the largest surplus in the history of our country and have turned it into the historically highest deficit in the history of our country in less than 30 months. That is one heck of an accomplishment, a bad one."

June 18, 2003: "Our Nation will run a record budget deficit of more than \$400 billion this year. At the same time the Republican majority has acceded to the largest increase in the debt limit in American history, \$950 billion-plus in 1 year, which was what the deficit was in its entirety in 1980."





From Budget Committee Chairman John M. Spratt Jr. (then ranking member):

March 17, 2005: "I know there have been random events that no one foresaw, terrorism, and recession, but that is part of budgeting, reserving for such contingencies. The Bush Republican budgets of the last 4 years not only failed to provide for such contingencies, by budgeting right to the margin, but when deficits replaced surpluses, nevertheless they kept coming with tax cuts, tax cuts after tax cuts.

So let us be clear. We are here because of policy choices that Republicans have made, the White House and the Congress, over the last 4 years, and you were forewarned and took the risk. Given the thrust of this budget that is before us, we will be back grappling again for years to come with deficits as far as the eye can see."



From Education and Labor Committee Chairman, George Miller (then ranking member):

May 22, 2003: "The facts that cannot be buried, as he would say, is the exploding deficit, the cost of these tax bills, a \$400 billion deficit this year, a \$7 trillion deficit over the long term and the immorality of passing that on to future generations."

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